
The United States and Japan: Partners in Hope

By

Ambassador Randall L. Tobias

**Director of United States Foreign Assistance and
United States Agency for International Development Administrator**

[The following are excerpts of the remarks presented to the Midwest U.S. and Japan 38th Annual Meeting Indianapolis, Indiana, September 11, 2006.]

Those of you who know me from my previous life in the private sector may know that I frankly never expected to find myself serving as our nation's first Director of U.S. Foreign Assistance and Administrator of USAID. This is not exactly how I had planned to spend my time at this stage in my life. But the issues related to foreign assistance are so important, and opportunities for impact so great, that I consider it an enormous privilege to have been asked by the President to lead the new and significant foreign assistance reform effort underway within the United States Government.

Before I tell you about our efforts to refocus United States foreign aid, I do want to first take note of the significance of the day on which we are gathered. Five years ago today, the United States was attacked by terrorists who had plotted and trained in a nation-state marked by repression, failed governance, and lack of opportunity. And indeed the task to which I am devoting my time these days is very directly related to our efforts to address these root causes of terrorism.

On September 11, 2001, it became clear that the locus of national security threats has shifted to the developing world where poverty, oppression, injustice, and indifference are exploited by our foes to provide haven for criminals and the planning of criminal acts. Foreign assistance is an effective tool for countering these new threats, and thus has become a foundational pillar of our national security architecture.

Ensuring that we deliver that assistance strategically, and in partnership with our fellow donors-such as Japan-is vital to its effectiveness. Both Japan and the United States have long recognized that helping our neighbors in the global community of nations is simply the right thing to do. But in more recent times, and with even greater awareness in the years since September 11, 2001, we have also come to understand that investing in foreign assistance is essential for other reasons, because our future is inextricably linked to those we seek to assist, and because hope is the antithesis of fear and hatred.

- How do we truly create hope?
- How do we get the best return on our foreign assistance investment?

The short answer to that question-as I learned through my experience leading the President's Emergency Plan for Aids Relief-is remarkably similar to what I learned in my thirty-nine years in the corporate world. Whether in Japan or the United States, to get a return on investment in the private sector requires a clear vision, clear objectives, and then a focus on performance, results, and accountability. In foreign assistance, too, we must take that same strategic approach.

That is why we have created a new strategic framework for United States foreign aid-one intended to focus our foreign assistance on programs intended to develop well-functioning and accountable nation-states that respond to the needs of their people, because the majority shareholders in the future

of any nation must be the people of those countries themselves. And we must always remember that our foreign assistance is not about us-it is about them.

Our framework explicitly identifies end goals for U.S foreign assistance that focus on ultimately graduating the nations we are helping from the need to receive further foreign assistance. But without a coordinated, comprehensive, mutually supportive foreign assistance program we will not be able to achieve, and then sustain for the long term, the gains of our investments.

The framework explicitly identifies a comprehensive approach to achieving those sustainable results. It recognizes that nations cannot progress without peace, security, and stability. They cannot progress without just and democratic governance. They cannot progress without investments in the human capacity of their citizens. And they cannot progress without economic growth. These now are the objectives of U.S. foreign assistance. And we are in the midst of reforming the organization, planning and implementation of United States foreign assistance in order to achieve this objective.

I know that Japan, too, is in the midst of reforming its own foreign assistance capabilities and we look forward to working with our counterparts there, as we have so often in the past, to leverage our respective strengths toward the accomplishment of our shared goals.

The United States and Japan have a strong record of aid cooperation worldwide in areas including health, water, trade and investment, humanitarian assistance, and post-conflict reconstruction. For instance, in 2002, the United States and Japan began a collaboration to launch the Clean Water for People Initiative, a joint endeavor to provide safe water and sanitation to the world's poor, improve watershed management, and increase productivity. As part of the initiative, this past March, our two governments signed an agreement with the Indian Ministry of Urban Development. As a result with financing from Japan and policy and technical assistance from the United States over 100,000 households in 368 slum settlements across Bangalore city will receive water and sanitation services. Perhaps most importantly, a grant jointly sponsored by the U.S. and Japan is helping Bangalore slum residents organize to make critical decisions, such as where to locate public water taps and community toilets.

The reason we are working with the city authorities and focusing on helping residents take part in decision making is because Japan and the United States both recognize that empowering human potential and achieving transformational development requires more than short-term charity or even the long-term provision of services. Citizens must understand that their governments are responsible for their health and safety, for educating a critical mass, and for creating the conditions needed for economic growth. We must educate and support citizens to make demands of their governments, and reject excuses for failure. That's part of what democracies are all about.

But the efforts of donor governments alone will never create the kind of hope and opportunity that the public and private sectors can foster together. That is why the U.S. government is committed not only to working with fellow donors, but to creating opportunities for partnership with the private sector.

In 2001, the U.S. government started an innovative initiative that unites the unique skills and resources of private companies, foundations, and other partners to identify, design, implement, and fund development projects. Since its inception, USAID's Global Development Alliances initiative has provided over \$1.4 billion to fund approximately 400 public-private alliances worldwide, leveraged over \$4.6 billion in committed partner contributions and engaged over 1000 alliance partners.

One of those is an alliance with a company based right here in the Midwest Procter and Gamble (P&G). The longstanding partnership between USAID and P&G launched a new product PUR®

Purifier of Water used as a new point-of-use water purification product. When properly deployed, PUR is practical and effective for providing safe drinking water in emergencies.

Last year, following the devastating earthquake in Pakistan, P&G along with many in the private sector demonstrated the kind of generosity of which we can all be proud. When disaster struck, P&G responded by providing \$270,000 in cash as well as a donation of PUR sachets worth more than \$30,000. The total donation provided enough product to produce safe drinking water to more than 50,000 households for three months. The U.S. matched P&G's contribution to support the purchase of materials, such as buckets and cloths, needed for proper preparation of PUR. While households frequently have these common materials, in the case of this devastating earthquake, many families had lost all of their possessions. Our partnership proved essential to providing safe drinking water to Pakistan in its hour of need.

Yet, while we certainly welcome the private sector's contributions in response to humanitarian crises, I would encourage all of you here today to consider being our partners on long-term projects as well. Building sustainable societies around the world, driven by sustainable economies, is in the interest of all of us. And there is no time like the present to get involved. The reforms under way will allow those in the private sector looking for the best way to partner with us to gauge where their resources are likely to have the greatest impact.

Despite the history and generosity of our foreign aid program, remarkably, the United States has never before had a comprehensive and integrated foreign assistance strategy. Now, clear goals and objectives, with common indicators to assess performance, will enable us to compare country progress, partner performance, and program results against our goals, in ways that have never before been possible. As leaders who know and understand the value of sound investment, I hope as we move forward on reform that we will be able to count on your support. Together, we can get the return on investment that the global community expects from foreign assistance, and that all human beings deserve. In a spirit of partnership with allies like Japan and drawing on the innovation of the private sector we can help replace fear and hatred with the kind of enduring hope that might have helped prevent the tragedy we remember on this day.